Economic Thinkers

Jean-Baptiste Say- states that production of any output automatically provides the income needed to buy that output. More succinctly stated, *supply creates its own demand.*

Adam Smith- states that nations would be better off if they each specialized in the production of those products in which they had an absolute advantage and were therefore the most efficient producers.

Karl Marx- he believes that nation needs to have a collective production to assure the proper distribution of resources. Thus, workers should dethrone owners to fulfill the classless society.

John Stuart Mill- the man who applied Utilitarianism in economic view.

David Ricardo- states that it is advantageous for a country to specialize and trade with another country even if it is more productive in all economic activities than that other country.

Thomas Robert Malthus- states that the growing population is the reason why many resources will be used to produce supplies.

John Maynard Keynes- states that increasing government spending and lowering the taxes helps the nation to stimulate business and increase employment.

Alfred Marshall- the core founder of analytical tools in economics. He emphasized that prices and output of good are determined by supply and demand curve.

Joseph Schumpeter- the man who identified innovation and entrepreneurship as the engines of capitalism, and who inaugurated the discipline of economic analysis.

Milton Friedman- states that government intervention to stabilize the economy would be at best useless and at worst inflationary. The monetarism found itself in the ascendancy.

John Forbes Nash- he was famous by his Game Theory that shows the market strategy between two competitors.

Friedrich August Hayek- he said that market was not designed by anyone but evolved slowly as the result of human actions.

Modern Economic Theories

1. **Consumerism**
   It states that an increasing consumption of goods is economically beneficial.

2. **Keynesianism**
   Advocates monetary and Fiscal Policy programs intended to accumulate enterprise and increase employment.

3. **Liberalism**
   Advocates free competition and a self-regulating market.

4. **Monetarism**
   States that variations in unemployment and the rates of inflation are usually caused by changes in the supply of money.

5. **Utilitarianism**
   The moral worth of an action upon the number of people who derive happiness or pleasure from it.